

FISCAL NOTE

HB 2118 - SB 2888

March 9, 2000

SUMMARY OF BILL: Authorizes government entities, if found liable, despite any limits previously established, to fully pay all medical, pharmaceutical, physicians, nursing care, therapy, psychological and psychiatric expenses reasonably incurred.

ESTIMATED FISCAL IMPACT:

Increase Local Govt. Expenditures* - Exceeds \$5,000,000

Assumes:

- local governments will purchase additional insurance coverage due to the increased liability exposure, thus increasing premium payments.
- a rise in litigation and claims costs will result in increased attorney fees for local governments.
- local governments will be responsible for payment of damages exceeding their chosen level of liability coverage.
- self-insured local governments will be responsible for full payment of unlimited damages.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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